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ABSTRACT

The New York State Comptroller's Office (CO) performed a compliance review to detect specific errors or inconsistencies in the Borough of Manhattan Community College's (BMCC's) certifications of student eligibility for the state's Tuition Assistance Program (TAP) and Supplemental Tuition Assistance Program (STAP). The CO reviewed Higher Education Services Corporation (HESC) computer-generated data on BMCC for the academic years 1984-85 through 1988-89, and then discussed inconsistencies with BMCC staff. The CO determined that BMCC was overpaid $25,418 because the college incorrectly certified students as eligible for TAP and STAP awards, and must refund the overpayment plus applicable interest to the state of New York. Following a summary of the CO's findings, this report presents background information on BMCC, and on the TAP and STAP. Next, detailed results of the review are provided in two sections, the first headed "TAP and STAP Certifications Were Not in Compliance with Education Law," which summarizes five reason for a total of 72 disallowances; and the second headed "Students Receiving STAP after TAP Payments," which highlights a disagreement between BMCC and the CO regarding students' eligibility. An examination is then provided of three educational issues affecting student eligibility for state tuition (i.e., credit hour equivalents and compensatory hours, questionable college credits awarded, and multiple use of the "R" grade, allowing students to repeat remedial courses indefinitely), as well as other issues needing review. The report concludes with recommendations to the HESC and the New York state education department. (MAB)

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EDWARD V. REGAN
STATE COMPTROLLER

August 12, 1992

DIVISION OF MANAGEMENT AUDIT
AND FINANCIAL REPORTING

Audit Report of Borough of Manhattan Community College.
Report 91-T-4.

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EDWARD V. REGAN
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August 12, 1992

DIVISION OF MANAGEMENT AUDIT
AND FINANCIAL REPORTING

The Honorable Thomas Sobol
Commissioner
State Education Department
Education Building
Albany, NY 12234

The Honorable Cornelius J. Foley
President
Higher Education Services Corporation
99 Washington Avenue
Albany, NY 12255

Re: Borough of Manhattan
Community College
Report 91-T-4

Dear Commissioner Sobol and President Foley:

Pursuant to the State Comptroller's authority as set forth in Section 1, Article V of the State Constitution and Section 8, Article 2 of the State Finance Law, and a Memorandum of Agreement dated December 1, 1989 acknowledged by the State Comptroller, the Commissioner of Education, the President of the Higher Education Services Corporation (HESC) and the Director of the Budget, we have reviewed HESC's records for the academic years 1984-85 through 1988-89. The objective of our compliance review was to detect specific errors or inconsistencies in the Borough of Manhattan Community College's (BMCC) certifications of student eligibility for the State's Tuition Assistance Program (TAP) and the Supplemental Tuition Assistance Program (STAP). To accomplish this objective, we reviewed HESC computer generated data to identify certain financial aid inconsistencies and discussed such inconsistencies with BMCC staff. Our review of procedures was limited and was not designed to detect all errors and inconsistencies made by BMCC staff. We did not review the internal controls at BMCC or at HESC.

A review is substantially less in scope than an audit in accordance with generally accepted government auditing standards, the objective of which is to express an opinion on BMCC's compliance with relevant laws and regulations regarding certification of students for TAP and STAP awards. Accordingly, we do not express such an opinion. Our review consisted primarily of inquiries of BMCC's personnel and analytical procedures applied to HESC's and BMCC's data. Our review was done in accordance with standards established by the American Institute of Certified Public Accountants.

We also planned to audit a statistical sample of 150 TAP and STAP awards paid on behalf of 148 students during the 1989-90 academic year. After having reviewed 25 of these awards, however, we found that a number of educational issues, which can materially affect students' TAP eligibility have yet to be resolved by SED. We, therefore, suspended our audit of the remaining awards until the issues are resolved. Two of the issues involving multiple use of the "R" grade and the standard for measuring a student's achievement for STAP were resolved by SED subsequent to our audit. Other educational issues, relating to full-time study, value of college credits and possible unregistered programs, are currently being evaluated by SED as part of its recently completed on-site review of BMCC's academic programs. All these issues are discussed in Sections B2 and C of this report.

In accordance with the provisions of Section 665(3)(b) of the Education Law, we have determined that BMCC was overpaid $25,418 because it incorrectly certified students as eligible for TAP and STAP awards. As a result, BMCC must refund the $25,418 overpayment plus applicable interest to the State.

A. Background

Located in New York City, BMCC is one of seven community colleges which the City University of New York (CUNY) operates. BMCC offers a wide selection of associate degree programs that qualify eligible students for a variety of financial aid opportunities.

Tuition Assistance Program and Supplemental Tuition Assistance Program

TAP is the largest of the various student grant and scholarship programs administered by HESC. It is an entitlement program available to eligible students who are enrolled in a wide array of programs at different types of institutions. STAP is a program that provides an additional year of tuition assistance funding for undergraduate students who are educationally disadvantaged. For both TAP and STAP awards, colleges must certify that enrolled students meet certain eligibility criteria before HESC will pay the institution for tuition expenses.

We performed a limited review of HESC records for the 1984-85 through 1988-89 academic years to detect specific types of errors or inconsistencies in BMCC's certifications of student eligibility for TAP and STAP. During these five academic years, BMCC received 59,378 TAP and STAP awards totaling $29,027,410 on behalf of 22,160 students; during the 1989-90 academic year, BMCC received 10,142 TAP and STAP awards totaling $4,974,718 on behalf of 6,572 students.

Aid for Part-Time Study Program

The Aid for Part-Time Study (APTS) Program provides tuition assistance for part-time undergraduate students. BMCC certified 1,543 APTS awards totaling $550,193 for the 1989-90 academic year. We reviewed a statistical sample of 80 awards and found that these awards were made for eligible students.

Draft copies of our report were provided to BMCC, CUNY, SED and HESC officials for review. BMCC and CUNY officials agreed with most of the findings and conclusions related to specific audit disallowances and a

number of matters affecting State tuition aid programs. They disagreed with our recommendation to review and recertify students who were claimed for STAP after TAP and our comment that credit hour equivalents used by BMCC may not meet the eligibility requirement for full-time study. Their comments have been considered in preparing this report. SED and HESC officials agree with our findings and recommendations relative to their area of responsibility.

B. Results of Review

We disallowed $25,418 in TAP and STAP awards for the six academic years ended June 30, 1990. We recommended that HESC recover $25,418 from BMCC.

We also found that BMCC incorrectly certified students for STAP awards after receiving one or more TAP awards. We recommend that HESC withhold $150,000 in TAP and STAP payments until BMCC recertifies eligible students. If students are ineligible for recertification, HESC should recover the amount of the associated TAP payments from BMCC.

1. Review Disallowances

a. Tuition Assistance Program and Supplemental Tuition Assistance Program Certifications Were Not in Compliance with Education Law

Students must meet certain criteria to be considered eligible to receive TAP and STAP awards to pay college tuition. We conducted a limited review of a sample of awards to determine whether specific criteria, including good academic standing, attendance and full-time study are met to justify award certification. Based on our limited review of selected criteria for 314 specific TAP and STAP awards certified by BMCC officials for the five academic years ended June 30, 1989 and of the 25 awards certified for the 1989-90 academic year, we disallowed 72 of the 339 awards to 66 students totaling $25,418. The reasons for the disallowances are as follows:

Reason for Disallowance	Number of Awards	Amount
Students Not In Good Academic Standing	33	$17,146
Students Not Meeting Eligibility Requirements for Summer Payments	34	6,578
Students Not Eligible for Fifth Year Payments	4	1,172
Student Not In Full-Time Attendance	1	522
Student Not In Attendance	1	75
Total Disallowances	73	$25,493
Less Duplicate Disallowance	(1)	(75)
Net Disallowance	72	$25,418

A detailed listing of student names, social security numbers, terms and dollar amounts disallowed was provided to CUNY and BMCC management.

(1) Students Were Not In Good Academic Standing

Section 665 of the Education Law (Law) provides that students must be in good academic standing to be eligible for awards. Section 145-2.2 of the Commissioner's Rules and Regulations (Regulations) provides that to maintain good academic standing a student must pursue the enrolled program of study and make satisfactory academic progress toward the completion of program requirements in accordance with SED approved standards. SED regulations define satisfactory academic progress as achieving at least a minimum cumulative grade point average (GPA) and number of credits toward a degree. Students failing to maintain good academic standing lose prospective State financial aid eligibility. Students who have lost good academic standing may regain such standing using a one-time waiver, making up the academic deficiency at their own expense or remaining out of school for one full year. To meet the pursuit of program criteria, SED regulations require that a student be full-time and receive a passing or failing grade in a certain percentage of completed courses.

We found that BMCC management certified 33 awards totaling $17,146 for 27 students who were not in good academic standing: 26 students (32 awards) did not meet the pursuit of program criterion; one student had not made satisfactory academic progress. Therefore, we disallowed these awards.

Of the 33 awards, CUNY and BMCC officials agree with our findings for 27 awards and disagree with our disallowances for six awards, each representing the second of two awards disallowed for six students. The officials contend that students, whose eligibility had been disallowed for a term, had regained good academic standing and award eligibility for subsequent terms. However, the students had not met any of the above criteria. HESC officials agree with our disallowances, since the students were never properly restored to good academic standing. Therefore, we maintain our disallowances.

(2) Students Did Not Meet Eligibility Requirements for Summer Payment

Section 145-2.9 of the Regulations states: "To be eligible to receive payment for summer study, a student must, during the regular academic year, be a full-time student matriculated in an approved program...." The Commissioner recognizes full-time attendance in either the preceding spring or subsequent fall term as fulfilling this requirement.

BMCC management certified 34 students for 34 summer awards who were not enrolled as full-time matriculated students in either the preceding spring or the subsequent fall term. We, therefore, disallowed these awards for $6,578.

CUNY and BMCC officials agree with our findings.

(3) Students Were Not Eligible for Fifth-Year Payments

Section 667 of the Education Law provides that no undergraduate shall be eligible for State financial aid for more than four academic years unless the program of study normally requires five years. Section 145-2.7 of the Regulations allows a fifth-year payment if the student is enrolled in any organized program of remedial study, such as College Discovery, approved

by the Commissioner of Education. BMCC certified fifth-year awards totaling $1,172 for four students who were not enrolled in an approved five year program. Since none of these students met the eligibility criteria for the terms in question, we disallowed these awards.

CUNY and BMCC agree with two of the fifth-year award disallowances and disagree with the other two. College officials stated that these students were initially placed in the College Discovery program upon admission to the College and by this fact remained eligible for a fifth year award based on the original enrollment. However, SED's regulations state that the student must be currently enrolled in a five-year program for a fifth year payment. Since the evidence BMCC submitted does not prove that these two students were enrolled in the College Discovery program during the terms disallowed, we maintain our disallowances. SED agrees with our findings for these disallowances.

(4) Student Was Not in Full-Time Attendance

Section 145-2.1 of the Regulations states that full-time study shall be construed as enrollment for at least 12 credit hours a semester, or the equivalent. In addition, the courses taken must be an integral part of the student's program and credited to the student's degree. We identified one student who received a TAP award totaling $522 but did not attend full-time as required.

We disallowed the student's award because the developmental credit-bearing course she took during the term in question did not count for her Liberal Arts degree. BMCC academic policy states that only one three-credit developmental course can be applied toward a Liberal Arts degree. Since this student had previously passed a three-credit developmental course, the second developmental course did not contribute to full-time study.

CUNY and BMCC officials disagreed with our disallowance, stating that since this student was required to take this course and had subsequently changed her major to Data Processing, the developmental courses she took counted towards graduation. However, since this Liberal Arts student changed her major to Data Processing in August 1991, one year after the term we disallowed, this fact is irrelevant. The certification of a student's full-time status including courses credited to the student's program must be determined on a term-by-term basis for financial aid purposes. Even if the school requires a student to take a course, but the course does not count towards the program, the course also does not count for full-time study. We maintain our disallowance.

(5) Student Was Not In Attendance

Section 661 of the Education Law states that a student must be in attendance in an approved course of study to be eligible for TAP. We disallowed one TAP award totaling $75 for one student who, according to her transcript, was not in attendance for the summer term.

CUNY and BMCC management agree with this finding.

b. Students Receiving STAP After TAP Payments

Chapter 724 of the Laws of 1981 established STAP. This is a special program designed to provide up to one year of additional State tuition aid for undergraduate students who are educationally disadvantaged. When institution management certifies a student for TAP, they are indicating, per Education Law, that in their judgment, the student is now capable of completing a degree. A student who subsequently loses TAP eligibility by failing to meet good academic standing requirements should not be considered educationally disadvantaged and therefore eligible for STAP. Furthermore, SED has informed institutions that the student who is classified as educationally disadvantaged after having received TAP should be a rare and carefully documented case. The fact that a student requires some additional remedial work is not sufficient to justify returning the student to STAP.

Based on our review of HESC's records for the five academic years 1984-85 through 1988-89, we found that BMCC officials had certified 1,328 STAP awards totaling $645,770 for 1,204 students who had previously received TAP awards. In order to have received their initial TAP payments, these students had to have matriculated in an approved program. We conclude that, at BMCC, such STAP after TAP certifications do not meet SED's guidelines.

Moreover, this problem was identified by CUNY's Internal Auditors in a follow-up report of BMCC's TAP, STAP and APTS certifying procedures, issued March 19, 1990. As a result, CUNY modified its centralized certifying system to require manual certification of STAP awards.

We examined the academic transcripts for a judgmental sample of 12 students who received a STAP payment after receiving TAP payments. We found that almost all the students should not have been certified for STAP, because their academic records showed they were not educationally disadvantaged. We found that 9 of 12 students could have been certified for TAP without any effect on their awards; in fact, two of these students were on the Dean's List. Three (25 percent) of the 12 students did not qualify for TAP certification because they had not taken a minimum of 6 credit hours required for a TAP award. For the five academic years ended June 30, 1989, we estimate that BMCC may have received about $150,000 in STAP awards for ineligible students. We do not impose any disallowances at this time if BMCC officials agree to recertify STAP after TAP certifications for these years. Those students found ineligible for TAP awards should be decertified and any overpayments refunded to the State. Students that BMCC officials find eligible for TAP should be recertified for TAP. We recommend that HESC withhold $150,000 in TAP and STAP payments if BMCC does not performs this review promptly.

CUNY and BMCC officials disagreed with our conclusion that the STAP after TAP certifications were granted to ineligible students and were more than rare, carefully documented occurrences. In addition, they contend that they cannot recertify these TAP awards because of staffing limitations and budget reductions. To support their claims of proper certification, CUNY's Office of Internal Audit reviewed a random sample of 221 of the 1,204 students. They stated that all students new to BMCC are administered the Basic Skills Assessment tests in math, writing and reading. Those students in the above sample found deficient in one or more of these tests were considered educationally disadvantaged and in need of remediation. According to CUNY, the reason these students were certified for up to five

TAP awards before receiving their first or second STAP award was BMCC did not have the money to offer a sufficient number of remedial courses to accommodate the students who required them. This reason is not a legitimate justification for certifying students for TAP, unless the student can fulfill the program pursuit and academic progress requirements of the tuition assistance program. If the students can meet these TAP requirements than the students are not STAP eligible. The legislative intent of the STAP program is to provide financial aid for students whose need for remediation precludes them from meeting the TAP requirements.

We presented both CUNY's response to our preliminary report and the academic transcripts and Basic Skill Test scores for a systematically selected sample of 103 (47 percent) of the 221 students tested by CUNY's Internal Auditors to SED's Division of College and University Evaluation. After review, an SED official agreed with our findings and conclusion that BMCC's STAP after TAP certifications were more than a rare occurrence and were not properly documented. SED stated that the test scores, by themselves, are not sufficient justification to certify students for STAP after they had received one or more TAP awards. Furthermore, BMCC management should document, on a case by case basis, the rationale beyond the test scores for certifying a student for STAP after TAP. SED also stated that a student deficient in one skill is not necessarily educationally disadvantaged. CUNY's own review shows that some of the students tested fall into this category. SED also agrees that it is difficult to justify the STAP eligibility of Dean's List students or certifying students for a STAP award one to three years after they have started school and have received from two to five TAP awards. These types of students were included in documentation provided by CUNY.

We conclude that BMCC's certification of STAP after TAP awards is inconsistent with legislative intent (Section 667-a.1) and contrary to SED guidelines. Therefore, we maintain that the eligibility of these students must be reviewed by BMCC officials. Where appropriate, students should be recertified to TAP; ineligible students should be decertified and any overpayments refunded to the State. SED officials agrees with our recommendation to allow BMCC to recertify these students for TAP, if eligible.

2. Educational Issues Affecting Student Eligibility for State Tuition Assistance

During our review, we identified three educational issues which substantially affect a student's eligibility for TAP and STAP awards. The issues relate to BMCC's use of credit hour equivalents and compensatory hours to determine full-time status, the awarding of college credit for high school level work and the multiple use of a Repeat ("R") grade, both of which affect standards of satisfactory academic progress requirements. BMCC's use of these practices may have resulted in the college's receipt of significant overpayments of State funded tuition assistance. The multiple use of the "R" grade was resolved subsequent to our field work. SED is currently evaluating the other issues as part of its recently completed on-site academic review of BMCC.

a. Credit Hour Equivalents and Compensatory Hours

To be eligible for TAP or STAP award certification, a student must be enrolled in a course of full-time study. We found that many BMCC students who are certified for TAP or STAP take remedial, developmental and compensatory courses and may not meet the eligibility requirement for full-time study. A large percentage of students at BMCC take remedial and developmental courses. We conservatively estimate that 24 percent of the TAP or STAP awards may be certified for students who are not full-time. Based on the 1989-90 STAP and TAP payments, this represents a potential overpayment of $1.2 million of State funds to BMCC alone.

Section 145-2.1 of the Regulations permits noncredit remedial courses to contribute toward full-time study on an hour-for-hour equivalent basis, if the student effort is the same as that required for credit-bearing courses in conformity with Part 50 of the Regulations. This effort must include one hour of classroom instruction and two hours of homework.

BMCC officials use actual contact hours assigned to its remedial, developmental and compensatory courses to determine credit hour equivalents for full-time study. Most remedial and developmental courses equate to six contact hours, with developmental courses composed of both college credit and remedial noncredit hours. Most of these courses contain laboratories (practice) hours to supplement classroom instruction. For example, according to BMCC's catalog, the courses in Reading and Study Skills I, II and III each include six contact hours comprised of three hours of classroom instruction and three hours of supervised laboratory practice. To compute full-time status, SED officials state that they equate two laboratory hours without homework to one hour of classroom instruction. Unless students receive 12 hours of homework for each six contact hour course, they cannot count the six hours toward full-time status. Such students may, therefore, be ineligible for TAP and STAP.

A compensatory course consists of college level work with additional instruction time to compensate for deficiencies in student skills. If the additional instruction is remedial, it is counted toward full-time study. For example, BMCC's compensatory courses in Elementary Accounting 101, 106 and 111 consist of three contact hours: two college credit hours and one extra hour counted toward full-time study. Since BMCC requires students taking these courses be either exempt from or to have completed all other remedial course requirements, we question whether this hour is remedial. SED officials informed CUNY officials in 1982 that compensatory nonremedial hours cannot count towards full-time study for financial aid.

We believe the hours used for determining full-time status are inflated. BMCC identifies many of the students who take these courses as educationally disadvantaged, and therefore enrolled in two or three remedial and developmental courses. For example, we noted that one educationally disadvantaged student was registered for three remedial courses. Accordingly to BMCC calculations, this equates to 18 full-time hours. With the addition of a one credit college course this student was credited for a total of 19 equated hours. To be in conformance with the requirements of the Regulations, this student must put forth 57 hours of work per week, significantly above the minimum standard of 36 hours.

CUNY and BMCC officials agree with our finding relative to the accounting compensatory courses and have begun phasing them out. They contend however, that the laboratory hours for remedial and developmental courses meet the definition of Part 50 of the Regulation on an hour for hour basis, but provided no documentation, such as outlines and course syllabi, to support their position.

In 1987 we referred this same matter to SED for determination relating to another audit. At the time that this report was prepared, SED had not provided us a determination. Therefore, we did not assess a TAP or STAP disallowance. SED must resolve the issue of equated hours on a CUNY-wide basis.

b. Questionable College Credits Awarded

Section 52.2(c)(3) of the Regulations states: "Credit toward an undergraduate degree shall be earned only for college level work." We found that BMCC awards three college credits for successful completion of Mathematics 055-Intermediate Algebra and Trigonometry (MAT 055). BMCC's description of MAT 055, in its 1990-92 catalog, states: "This course covers the same material as a standard high school eleventh-year mathematics course." Based on the Regulations, BMCC cannot award three college credits for a high school level course.

In response to our preliminary report, BMCC changed the course description of MAT 055 in their upcoming catalog to delete the reference to high school level work. However, the revised course description referencing course topics is identical to the original course description. BMCC may also offer other high school level courses without disclosing this fact in the catalog descriptions. Students must meet satisfactory academic progress standards for GPA and credits earned before they are certified for TAP eligibility in accordance with Section 142.2 of the Regulations. Inclusion of these credits is inappropriate if they do not meet SED's Regulation.

SED is currently reviewing the college credit value for this course after we brought this matter to their attention. We further recommended that SED's Division of College and University Evaluation also review all BMCC's credit-bearing developmental courses, to determine whether they include the college level work to warrant the credit value assigned each course.

c. Multiple Use of the "R" Grade

At the time of our audit, BMCC had a policy that allowed students to repeat remedial and developmental courses indefinitely if the student receives an "R" grade in the course. An "R" grade is not a passing grade and is not used in computing a student's GPA.

We identified this issue in 1987 and requested that SED review the use of the "R" grades and its effect on good academic standing for financial aid purposes. SED officials determined that multiple use of the "R" grade is unacceptable. SED officials stated that, for purposes of determining eligibility for State student financial assistance, a student who has received an "R" grade should have one term to repeat the course. Upon completing the term, the student either earns a passing grade or receives an "F" in the course. CUNY's central administration was advised of this

determination on August 8, 1991. On August 19, 1991, CUNY's Deputy Chancellor disseminated SED's policy to all colleges. Since this new policy went into effect after our audit period, we did not disallow any awards based on this policy.

C. Other Issues Needing Review

We also found three issues which SED is reviewing as part of its current academic evaluation of BMCC. A fourth issue involving CUNY's STAP policy was resolved subsequent to the release of our draft report. We are not recommending disallowances as a result of these issues which were provided to BMCC and to CUNY officials for comment. They agreed with our conclusions and recommendations.

1. Possible Unregistered Programs

We reviewed BMCC's college catalog and found that the Dance, Fine Arts, Music and Social Science concentrations listed under the registered Liberal Arts program appear to be distinct programs and may require separate registration under Section 52.1(h) of the Regulations. This section requires new registration for any existing curriculum in which major changes are made that affect its title, focus, design, requirements for completion or mode of delivery. Further, Section 3.47(c) of the Rules of the Board of Regents requires that a minimum of three-quarters of the work for an Associate in Arts degree be in the liberal arts and sciences and requires that the liberal arts core shall not be directed toward specialized study.

Section 661 of the Education Law allows financial assistance only to students matriculated in an approved program. If SED should determine, as part of its academic evaluation, that students were offered an unregistered program, these students would not be eligible for financial assistance. Any incorrectly paid assistance would have to be repaid.

2. Unauthorized Degrees Publicized

BMCC's catalog lists that the Associate in Arts and Associate in Applied Science degrees are awarded for every concentration included among their approved registered programs. However, all the concentrations have not been approved as required by Section 52.1(a)(1) of the Regulations. BMCC must register these concentrations with SED before advertising them or awarding degrees for these concentrations. We recommend that BMCC officials revise the college catalog to clearly show that degrees are awarded for only registered programs.

3. Student Records

We found that students' academic transcripts did not always indicate that the student was matriculated in an approved program as required by Section 52.2 of the Regulations. Rather, the transcripts indicated the student's concentration. Also, the transcripts did not indicate the student's grade point average (GPA) on a term-by-term basis, although this information was available on BMCC's computer. Since student eligibility for financial aid is determined on a term-by-term basis, we recommend that BMCC revise its student transcripts to include the name of the student's approved program and include the student's GPA for each term.

4. STAP Policy

The Education Law requires that a student who receives a subsequent STAP or TAP award after receiving a STAP award must have remained in full-time attendance in the initial STAP term. SED explained this criterion in its CEO No. 82-13. This guideline provides an option whereby full-time attendance can be satisfactorily demonstrated if a school establishes and applies standards and procedures for evaluating, at the end of each term, a STAP student's effort, achievement, and readiness to undertake further study.

In January 1990, in response to our prior CUNY TAP audits, CUNY Central Administration revised its policy for measuring a student's effort, achievement and readiness applicable to its institutions. However, our review of this policy indicates that the standard for measuring student achievement may still not meet SED guidelines. When we shared CUNY's achievement measurement policy with SED, an SED official raised a concern with the policy. We recommended that CUNY management submit its revised STAP policy to SED for review and comment. On May 28, 1992, SED officials approved a new CUNY-wide standard for measuring achievement.

Recommendations

The Higher Education Services Corporation

1. Recover $25,418, plus applicable interest, from the Borough of Manhattan Community College for its incorrect TAP and STAP certifications.

2. In conjunction with the State Education Department, ensure that the Borough of Manhattan Community College reviews and recertifies in a timely manner all its STAP after TAP awards for the five years ended June 30, 1989; ensure that any overpayments are refunded. If the awards are not recertified promptly, withhold $150,000 in TAP and STAP funds to cover the estimated overpayments.

The State Education Department

1. Finalize the academic evaluation of the Borough of Manhattan Community College's programs, including determinations on the applicability of credit hour equivalents and college credits assigned for developmental courses to the extent that they affect eligibility requirements for tuition assistance programs.

2. If necessary, assist the Higher Education Services Corporation to ensure that the Borough of Manhattan Community College correctly recertifies their STAP after TAP awards.

We wish to express our appreciation to the management and staff of the Borough of Manhattan Community College for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Roland M. Malan
Assistant Deputy Comptroller

cc: August S. Kappner
W. Ann Reynolds
Patrick J. Bulgaro
Louis Chiacchare